

Great Lakes Water Quality Bond Implementation Status Report

Prepared by the
Michigan Department of Environmental Quality
Environmental Science and Services Division
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GREAT LAKES WATER QUALITY BOND IMPLEMENTATION STATUS REPORT

Section 501 of Public Act 343 of 2006, the Department of Environmental Quality's (DEQ's) Fiscal Year (FY) 2007 Appropriation Bill, included the following requirements:

"By July 1, 2007, the department shall prepare and submit a report to the state budget director, the legislature, the chairs of the standing committees of the senate and house of representatives with primary responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committee with primary responsibility for appropriations for the department of environmental quality, outlining the implementation of the Great Lakes water quality bond provided for in part 197 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19701 to 324.19708, including but not limited to, the amount of bonds issued and the date they were issued, the number of applications received for loans from the state water pollution control revolving fund created in section 16a of the shared credit rating act, 1985 PA 227, MCL 141.1066a, the total amount of loans requested, a listing of the applicants receiving loans and the total amount of loans provided to those applicants, a listing of applicants whose loan applications were not approved, the amount of the loans granted that were leveraged from bond proceeds, and the remaining bond proceeds and bond authorization."

The Environmental Science and Services Division of the DEQ continues to administer the State Revolving Fund (SRF) and the Strategic Water Quality Initiatives Fund (SWQIF). Implementation of the Great Lakes Water Quality Bond Fund has proceeded as follows:

1. The passage of Proposal 2 on the November 2002 statewide ballot authorized the state to issue up to \$1 billion in general obligation bonds to "finance sewage treatment works projects, storm water projects and nonpoint source projects."
2. The first series of bonds (\$100 million) was issued by the Michigan Municipal Bond Authority on December 18, 2003. Consistent with Part 197, Great Lakes Water Quality Bond Implementation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, ninety percent of the bonds were deposited into the SRF and ten percent were deposited into the SWQIF. On September 26, 2006 an additional \$47 million in SWQIF bonds were sold, \$40 million for the SRF/SWQIF (S2) Grant Program, and \$7 million to support SWQIF loans and provide for fund administration.
3. For FY 2007, the SRF received applications from 44 projects totaling an estimated \$599,985,000, while the SWQIF received 2 applications for an estimated \$2,330,000.
4. Attachment 1 details those FY 2007 SRF loans tendered to date (1st through 3rd Quarter), which went to 18 projects totaling \$115,800,000. We anticipate 18 additional loans being tendered in the 4th Quarter, at an estimated \$399,550,000.
5. Attachment 2 details those loans tendered in FY 2007 from the SWQIF. Two loans were tendered which totaled \$3,655,000.
6. Eight SRF applications were initiated for projects that will not receive funding in FY 2007. Gabler Drainage District/Oakland County (\$15,000,000), Lenawee County/Addison Village (\$2,410,000), Fenton Charter Township/Genesee County (\$2,650,000), the city of Big Rapids (\$7,700,000), Genesee County/Ragnone System (6,150,000) and the city of Monroe (\$13,695,000) did not complete the application process and have each opted to withdraw their applications for FY 2007 financing. Application from the

- village of Parma (\$4,865,000) and Leoni Township/Jackson County (\$30,850,000) were denied funding, but are reapplying in FY 2008.
7. The FY 2007 SRF demand will be accommodated without using any of the Proposal 2 bonds, which were deposited in the fund. All FY 2007 loans will be tendered using other SRF resources.
 8. Loans awarded in the SWQIF to date have necessitated the sale of \$7,000,000 of Proposal 2 bonds to tender these loans and administer the fund. Bonds were sold in late 2005 and again in the fall of 2006. In addition \$40 million in SWQIF bonds were sold in the fall of 2006 to fund the S2 Grants for potential loan program applicants.
 9. Proposal 2 SRF bonds issued remain available in the fund and the authority exists to issue another \$810 million in bonds for the SRF. In the SWQIF, \$10,000,000 in Proposal 2 bonds remains available in the fund and the authority exists to issue an additional \$43 million.
 10. It is anticipated that additional SWQIF bonds will have to be sold before December of this year to tender anticipated FY 2008 SWQIF loans. It is also anticipated that SRF bonds will have to be sold to support FY 2007 and anticipated FY 2008 loans.
 11. Consistent with the requirements of Public Act 254 of 2005 (Section 5204a of the Natural Resources and Protection Act) you will find attached a list of those communities who to date have received S2 Grants (Attachment 3).

Prepared by: Mr. Chip Heckathorn, Chief
Revolving Loan and Operator Certification Section

DE State Revolving Fund: Fundable Range Quarterly Report - Fiscal Year: 2007
SRF

1st Quarter Projects		Binding Commitment Date: 11/21/2006	
5229-04	Genesee Co	Ragnone System	Seg 4; NEES Intcp Swr - Cont 3B
5229-09	Genesee Co	Ragnone System	Seg 9; NEES Intcp Swr - Cont 3C Financial Seg
5245-01	Gladstone	Delta Co	New Sludge Strg Tank
1st Quarter Total		3 Projects	\$13,200,000
2nd Quarter Projects		Binding Commitment Date: 3/13/2007	
5005-20	Lansing	Ingham Co	Seg 20 CSO; Swr Sep, Phase IV, Seg 4
5006-15	Port Huron	St. Clair Co	Seg 15 CSO; Swr Sep (Vanness)
5243-01	Tuscola Co	Caro	Rehab/Upgrd WWTP, PS
5262-01	Marquette	Marquette Co	WWTP Impr; swr repl
5274-01	Richmond	Macomb Co	EQ basin, repl/upsized intcp swr
5284-01	Saranac	Ionia Co	WWTP/PS Upgrd; Rehab/Repl Sewer
2nd Quarter Total		6 Projects	\$58,220,000
3rd Quarter Projects		Binding Commitment Date: 6/5/2007	
5210-01	Manton	Wexford Co	Lagoon/PS Impr (refinance)
5229-05	Genesee Co	Ragnone System	Seg 5; NEES Intcp Swr (contract 3A)
5236-01	Muskegon Co	Muskegon Co	WWTP Impr
5254-01	Leelanau Co	Northport	New CS/WWTP
5265-01	Waterford Twp	Oakland Co	Swr/PS Rehab, Metering
5268-01	Washtenaw Co	Multi-Lakes (Dexter T	Upgrd/expand WWTP
5271-01	Harbor Beach	Huron Co	SSO
5272-01	Belding	Ionia Co	FM Repl; Swr Repl/Rehab/Sep; PS
5285-01	Ludington	Mason Co	PS/Sewer Repl
3rd Quarter Total		9 Projects	\$44,380,000
4th Quarter Projects		Binding Commitment Date: 8/30/2007	
5175-06	Detroit	Wayne Co	Seg 6 CSO; Oakwood RTB/PS
5207-05	Dearborn	Wayne Co	Seg 5 CSO; Treatment Shafts
5230-03	Saginaw	Saginaw Co	Seg 3; WWTP Upgrd
5248-01	Lyon Twp	Roscommon Co	New WWTP/CS-Camp Curnalia
5249-01	Geo W Kuhn DD	Oakland Co	12 Towns RTB Flushing System
5263-01	South Branch Pine River Drain D	Emmett - St Clair Co	WWTP, CS
5266-01	Alpena	Alpena Co	WWTP Rehab/Upgrd, Septage Facil, CS Rehab
5267-01	Oakland Co	Springfield Twp	Intcp, PS, Decom WWTP
5269-01	Sturgis	St. Joseph Co	WWTP/PS Imp; New Intcp/Ofl; FM Repl
5273-01	Chelsea	Washtenaw Co	WWTP Expnd
5275-01	Grand Valley Regional Biosolids	GR/Wyoming	Solids Handling Impr
5276-01	New Baltimore	Macomb Co	WWTP and collection system improvements
5277-01	Cadillac	Wexford Co	WWTP/PS Impr
5279-01	Delhi Twp	Ingham Co	Solids Handling Impr
5280-01	Loch Alpine Authority	Washtenaw Co	WWTP Expnd/Upgrd, EQ Basin, Swr Rehab
5281-01	Tecumseh	Lenawee Co	WWTP Upgrd
5282-01	Houghton Lake Sewer Authority	Roscommon Co	WWTP Upgrd
5287-01	Inkster	Wayne Co	Seg 1 CSO; Treatment Shafts
4th Quarter Total		18 Projects	\$399,550,000
Total Fundable Range Dollars		36 Projects	\$515,350,000
Future Projects			
5175-99	Detroit	Wayne Co	CSO; Rouge Tunnel - Future Segs
5207-99	Dearborn	Wayne Co	CSO; Future Segs

5005-99	Lansing	Ingham Co	CSO: Swr Sep - Future Segs	\$279,545,000
5006-99	Port Huron	St Clair Co	CSO: Swr Sep Future Segs	\$5,200,000
5287-99	Inkster	Wayne Co	CSO; Future Segs	\$33,865,000
5173-01	Leoni Twp	Jackson Co	WWTP Expan/Upgrd	\$30,850,000
5129-99	Sault Ste Marie	Chippewa Co	CSO; Sewer Sep - Future Segs	\$8,000,000
5236-99	Muskegon Co	Muskegon Co	WWTP Impr-Future Segs	\$8,700,000
5229-06	Genesee Co	Ragnone System	Seg 6; NEES Intcp Swr - Cont 4	\$6,150,000
5229-99	Genesee Co	Ragnone System	NEES Intcp Swr - Future Segs	\$3,050,000
5217-02	Wayne Co	Wyandotte	WWTP Impr-Seg 2-Generators	\$4,060,000
5217-03	Wayne Co	Wyandotte	WWTP Impr-Seg 3-Final Clarifiers	\$6,300,000
5217-04	Wayne Co	Wyandotte	WWTP Impr-Seg 4-Solids Phase 1	\$6,320,000
5217-05	Wayne Co	Wyandotte	WWTP Impr-Seg 5-SCADA	\$2,750,000
5217-99	Wayne Co	Wyandotte	Downriver WWTP Impr-Future Segs	\$73,810,000
5168-01	Berrien Springs	Berrien Co	WWTP Repl (refinance)	\$5,750,000
5253-01	Shelby	Oceana Co	WWTP Xpan/Upgrd (refinance)	\$2,850,000
5260-01	Gabler Drainage District	Rochester Hills	Madison Park - NPS - Landfill Remediation	\$15,000,000
Total	Future	Dollars Projected	18 Projects	\$1,174,600,000

DEQ Strategic WQ Initiatives Fund: Fundable Range Quarterly Report - Fiscal Year: 2007 SWQIF

2nd Quarter Projects		Binding Commitment Date: 3/13/2007	
3002-04	Ann Arbor	Washtenaw Co	FDD; Seg 4
2nd Quarter Total		1 Projects	\$965,000
3rd Quarter Projects		Binding Commitment Date: 6/5/2007	
3006-01	Davison	Genesee Co	fdd for problem areas of I/I in the city
3rd Quarter Total		1 Projects	\$2,690,000
Total Fundable Range Dollars		2 Projects	\$2,690,000
Future Projects			\$3,655,000
3002-05	Ann Arbor	Washtenaw Co	2 FDD; Seg 5
Total Future Dollars Projected		1 Projects	\$950,000
			\$950,000

Summary of S2 Applications Funded

Total Grant \$ Approved: \$40,000,000

Project No.	Project Name	Amount Requested	Amount Approved
9001-01	Village of Sparta	\$15,300	\$26,100
9001-02	Village of Sparta	\$89,550	\$89,550
9002-01	City of Iron River	\$119,700	\$119,700
9003-01	Charter Township of Orion	\$823,894	\$688,894
9004-01	Township of Bates	\$32,490	\$32,490
9005-01	City of Wakefield	\$86,342	\$81,900
9006-01	Village of Maybee	\$102,870	\$102,870
9007-01	Portage Lake Water & Sewage Authority	\$88,380	\$93,780
9008-01	Village of Dexter	\$174,225	\$174,225
9010-01	West Iron County Sewer Authority	\$22,500	\$22,500
9011-01	Village of Northport	\$1,015,821	\$985,165
9012-01	Village of Saranac	\$256,660	\$238,322
9013-01	Village of Caro	\$437,665	\$437,665
9014-01	Township of Hamburg	\$112,157	\$112,157
9015-01	Charter Township of Grand Blanc	\$998,280	\$971,280
9016-01	City of St. Ignace	\$275,400	\$24,300
9016-02	City of St. Ignace	\$289,000	\$240,300
9017-01	Grand Valley Regional Biosolids Authority	\$930,318	\$871,656
9017-02	Grand Valley Regional Biosolids Authority	\$128,344	\$128,344
9018-01	City of Marquette	\$950,099	\$947,205
9019-01	City of Detroit	\$1,100,000	\$1,000,000
9020-01	City of Iron Mountain	\$78,000	\$70,200
9021-01	Port Austin Area Sewer and Water Authority	\$48,600	\$48,600
9021-02	Port Austin Area Sewer and Water Authority	\$218,700	\$218,700
9022-01	South Branch of Pine River Drain Drainage District	\$127,368	\$130,671
9023-01	City of Allen Park	\$897,750	\$618,938
9024-01	City of Cadillac	\$414,000	\$394,990
9025-01	City of Harbor Beach	\$46,350	\$39,150
9026-01	Charter Township of Garfield	\$116,204	\$116,204

Summary of S2 Applications Funded

		Total Grant \$ Approved: \$40,000,000	
Project No.	Project Name	Amount Requested	Amount Approved
9052-01	Township of Scio	\$220,320	\$220,320
9053-01	Charter Township of Huron	\$314,010	\$271,260
9054-01	Loch Alpine Sanitary Authority	\$102,150	\$26,100
9054-02	Loch Alpine Sanitary Authority	\$111,870	\$14,580
9055-01	City of Chelsea	\$905,400	\$365,400
9055-02	City of Chelsea	\$553,500	\$540,000
9056-01	City of Richmond	\$477,337	\$181,436
9056-02	City of Richmond	\$295,901	\$295,901
9057-01	City of Port Huron	\$680,000	\$624,731
9058-01	Charter Township of Buena Vista	\$220,500	\$220,500
9059-01	City of Zilwaukee	\$45,000	\$45,000
9060-01	City of Owosso	\$176,220	\$176,220
9061-01	City of Auburn Hills	\$549,450	\$549,450
9062-01	City of Auburn Hills	\$50,000	\$45,000
9063-01	City of Auburn Hills	\$87,300	\$55,800
9064-01	City of New Baltimore	\$643,204	\$578,884
9064-02	City of New Baltimore	\$48,186	\$37,968
9065-01	Township of Bergland	\$72,000	\$58,500
9066-01	City of Roseville	\$1,000,000	\$1,000,000
9067-01	City of Grosse Pointe Woods	\$1,000,000	\$1,000,000
9068-01	County of Genesee	\$395,339	\$396,423
9069-01	City of Clawson	\$873,418	\$828,939
9070-01	City of Crystal Falls	\$29,700	\$29,700
9071-01	City of Center Line	\$832,427	\$749,184
9072-01	City of St Clair Shores	\$1,000,000	\$1,000,000
9073-01	Village of L'Anse	\$146,070	\$146,070
9074-01	City of Gladstone	\$49,950	\$49,950
9075-01	Village of Howard City	\$34,965	\$34,965
9076-01	City of Benton Harbor	\$366,300	\$366,300

Friday, June 08, 2007

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Summary of S2 Applications Funded

Total Grant \$ Approved: \$40,000,000

Project No.	Project Name	Amount Requested	Amount Approved
9113-01	Charter Township of West Bloomfield	\$348,120	\$180,900
9114-01	County of Muskegon	\$404,482	\$404,482
9115-01	City of Lathrup Village	\$170,343	\$170,343
9116-01	City of Marysville	\$155,772	\$100,294
9117-01	City of Essexville	\$238,500	\$238,500
9118-01	Township of Sheridan	\$31,500	\$31,500
9119-01	City of Plainwell	\$593,730	\$68,940
9120-01	Allen's Creek Drainage District	\$110,814	\$99,733
9121-01	County of Muskegon	\$491,814	\$121,545

Total Number of Applications Received 125

Total Number of Projects Approved 125